

June 1982

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (MOA) is entered into by Donald B. Basko, Supervisor of the Wyoming Oil and Gas Conservation Commission (WOGCC) and Steven J. Durham, Region VIII Administrator of the Environmental Protection Agency (EPA) in order to define respective responsibilities for the conduct of the Underground Injection Control (UIC) Program for Class II wells in Wyoming under Section 1425 of the Safe Drinking Water Act (42 USC Section 300 h-4). It is intended to outline the terms under which the WOGCC will carry out the UIC Program and the EPA will execute its oversight responsibility. This MOA is expressly created between the WOGCC and the EPA and bears no relationship to other MOA's which have been entered into by the EPA and the Wyoming Department of Environmental Quality (DEQ) for conduct of the UIC Program for Class I, III, IV and V wells in Wyoming.

I. The WOGCC agrees to carry out the UIC Program as described in its application for primacy dated November, 1981, and received by the EPA on January 11, 1982. The MOA is to be included as an integral part of said primacy application. The WOGCC will maintain an adequate level of staff, resources, and funding to carry out the UIC Program. Item g on pages 34 and 35 of the primacy application details the staffing resources and funding.

II. The EPA, like any other interested party, has access to pertinent records and documents in the files of the office of the State Oil and Gas Supervisor, in Casper, Wyoming, provided further that the original of the record or document shall not be taken from the aforementioned office.

III. The Supervisor of the WOGCC shall be notified by the EPA at least ten (10) working days prior to an EPA inspection of wells or operators' records. Said notification to the Supervisor shall include an estimate of the time required for the inspection and a statement as to whether or

not a WOGCC staff member is to be present. The WOGCC agrees to furnish EPA a preliminary list describing wells to be inspected for mechanical integrity during the year, including location and approximate date of inspection. EPA will inform WOGCC of those inspections in which it intends to participate.

IV. When the WOGCC has a fully approved Program, EPA will not take enforcement action without providing prior notice to WOGCC and otherwise complying with Section 1423 of the Safe Drinking Water Act. Nothing in this agreement shall restrict EPA's authority to take Federal enforcement actions under Sections 1423 and 1431 of the Safe Drinking Water Act.

V. The WOGCC agrees to submit an annual report of the UIC operations. Said report shall be submitted to the EPA each year on the anniversary date of the approval of the primacy application by the EPA. The content of the report is not yet fully determined and will be negotiated by the WOGCC and the EPA and may be modified thereafter by mutual consent of both parties.

VI. The aquifer exemption procedures for Class II wells are outlined in Item j of the primacy application and are consistent with the Rules and Regulations of the WOGCC, revised January 15, 1982. The aquifer exemption process for Class II wells is consistent with the practices and procedures of the DEQ for Class I, III, IV and V wells. WOGCC agrees that it will not exempt aquifers which are currently being used for drinking water. WOGCC also agrees that the Rule 125 determination of whether water "can reasonably be expected to be used for domestic...use" will be made in the context of an aquifer exemption, and will be based upon the criteria (a) through (e) of Rule 407.

VII. EPA and WOGCC agree to coordinate, when appropriate, the processing of permits for facilities or activities that require permits from both EPA and WOGCC under different programs (e.g., UIC and RCRA), so as to minimize duplication

of effort consistent with our respective authorities. When the WOGCC has a fully approved program, no Class II well shall be required to have an Underground Injection Control permit from EPA.

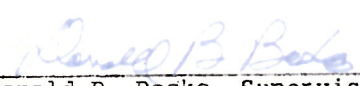
VIII. If the WOGCC proposes to allow any mechanical integrity testing other than that specified in the primacy application, the WOGCC will furnish the Region VIII Administrator with adequate information such that a judgment about the proposal's usefulness and reliability may be made. EPA shall respond in writing to the WOGCC within thirty (30) days of receipt concerning the EPA judgment.


IX. When the WOGCC has a fully approved program, the WOGCC will have primary enforcement responsibility for Class II wells. This program is subject to the same EPA oversight as other portions of the UIC program.

X. Nothing in this MOA shall be construed or used to alter, replace, or violate any law, statute, rule or regulation of the sovereign State of Wyoming.

XI. This MOA may be modified at any time with the mutual consent of the WOGCC and the EPA.

DATED this 2nd day of June, 1982.


Donald B. Basko, Supervisor,
Wyoming Oil and Conservation Commission


Steven J. Durham, Region VIII Administrator
Environmental Protection Agency

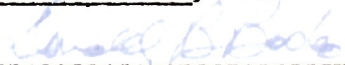
Amendment No. 1 to the Memorandum of Agreement (MOA) between EPA and the Wyoming Oil and Gas Commission.

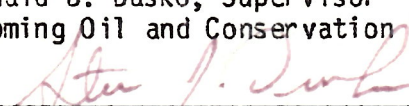
The following replaces item VI of the MOA between EPA and the Wyoming Oil and Gas Commission dated June 2, 1982.

VI. The aquifer exemption procedures for Class II wells are outlined in Item j of the primacy application and are consistent with the Rules and Regulations of the WOGCC, revised January 15, 1982. The aquifer exemption process for Class II wells is consistent with the practices and procedures of the DEQ for Class I, III, IV and V wells. WOGCC agrees that it will not exempt aquifers which are currently being used for drinking water. WOGCC also agrees that the Rule 125 determination of whether water "can reasonably be expected to be used for domestic...use" will be made in the context of an aquifer exemption, and will be based upon the criteria (a) through (e) of Rule 407.

When in receipt of a request for an aquifer exemption, WOGCC agrees to provide to EPA the data submitted by the applicant to initiate the hearing on the proposal and any information which WOGCC deems relevant to its decision to call a public hearing. EPA agrees to review this information and respond concerning the adequacy of the information submitted and its consistency with the criteria (a) through (e) of WOGCC Rule 407. EPA agrees to notify the WOGCC of any objection one day prior to the public hearing and agrees to be present at the hearing to advise the applicant and the Commission of its objection and to hear the complete information presented at that time. EPA will formally make any objection to a proposed aquifer exemption at the public hearing so that a formal order may be entered as is WOGCC practice.

Dated this 22nd day of December, 1982.


Donald B. Basko, Supervisor
Wyoming Oil and Conservation Commission


Steven J. Durham, Region 8 Administrator
Environmental Protection Agency